Disclosures

All information in this presentation is dated as of October 15, 2022 unless otherwise stated. This is not an offer to sell or a solicitation of an offer to buy any securities. Such an offer is made only by means of a current Prospectus (including any applicable Pricing Supplement) for the Local Initiatives Support Corporation Impact Notes (the “Notes”). Such offers may be directed only to investors in jurisdictions in which the Notes are eligible for sale. Investors in such states should obtain a current Prospectus by visiting www.lisc.org/invest. The Notes are subject to risks, including the loss of principal. Investors are urged to review the current Prospectus before making any investment decision. The notes will not be insured or guaranteed by the FDIC, SIPC or other governmental agency.
Disclosures

The Notes are not secured by any assets of LISC and will be subordinated to any existing or future secured indebtedness of LISC.

The interest paid or accrued on the Notes will be taxable as ordinary income to the investor in the earlier of the year it is paid or the year it is accrued, depending on the investor's method of accounting. Investors should consult with their tax advisor regarding any tax treatment of the Notes.

No trust indenture has been or will be established, and no trustee has been or will be appointed.

No public market exists for the Notes, and the transfer of the Notes may be limited and restricted.

LISC depends on the efforts of its senior management and staff, and loss of key personnel could adversely affect its operating performance and ability to pay interest and principal and interest under the Notes when due.

The value of the Notes may be adversely affected by a decrease in the credit ratings assigned to LISC or the Notes.

In furtherance of LISC’s charitable purpose, LISC lends money to borrowers that are often unable to obtain financing at competitive market rates from conventional lenders, such as regulated retail or commercial banks. The reasons for this vary, but often relate to the creditworthiness of the borrower and the availability or value of the collateral the borrower is able to offer to support the credit risk represented by a loan to the borrower. As a result, there is a higher risk that LISC’s loans may not be repaid.
Together with residents and partners, LISC forges resilient and inclusive communities of opportunity across America — great places to live, work, visit, do business and raise families.
Since 1979

$26.7 Billion Invested\(^1\)

$75 Billion Leveraged

463,215 Homes

Affordable homes built and/or preserved including:
- Multifamily rental
- Supportive housing for special populations such as chronically homeless, LGBTQ, seniors and veterans
- Affordable homeownership

We also emphasize sustainability through green, healthy housing and transit-oriented development.

78.5 Million Square Feet

Square feet of commercial, retail and community space built and/or preserved, including:
- Early childhood centers
- Schools
- Fields/recreational spaces
- Healthcare centers
- Grocery stores
- Financial Opportunity Centers

S&P ‘AA-’ Issuer Rating\(^*\)

- LISC tapped the public bond market, with a $100 million issuance in 2017
- LISC has been a certified CDFI since 1996 and an ImpactAssets 50 Fund Manager for seven consecutive years
- In 2020, LISC was named the Social Bond of the Year (corporate category) by Environmental Finance for its Impact Notes issuance

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1. LISC defines investments as grants, loans and tax credit equity provided to partners and projects.

\(^*\)The value of the Notes may be adversely affected by a decrease in the credit ratings assigned to LISC or the Notes.
Our Impact

We create opportunities for people to thrive.*

463,215 affordable homes for more than a million people

497 schools and early childhood centers for 119,000+ students

435 fields and recreational spaces for more than 745,000 kids

130 financial opportunity centers serving 89,000+ people since 2011

199 food and health-related projects serving thousands of families

Plus 100s of other retail, creative economy and community projects

* In furtherance of LISC’s charitable purpose, LISC lends money to borrowers that are often unable to obtain financing at competitive market rates from conventional lenders, such as regulated retail or commercial banks. The reasons for this vary, but often relate to the creditworthiness of the borrower and the availability or value of the collateral the borrower is able to offer to support the credit risk represented by a loan to the borrower. As a result, there is a higher risk that LISC’s loans may not be repaid.
Our Reach

2,400 Partners
Our national network includes nonprofits, businesses and government agencies in both rural and metropolitan areas.

37 Office Locations
Atlanta, GA
Boston, MA
Buffalo, NY
Charlotte, NC
Chicago, IL
Cincinnati, OH
Cleveland, OH
Detroit, MI
Duluth, MN
Flint, MI
Greenville, SC
Hartford, CT
Honolulu, HI
Houston, TX
Indianapolis, IN
Jacksonville, FL
Kalamazoo, MI
Kansas City, MO
Los Angeles, CA
Louisville, KY
Memphis, TN
Milwaukee, WI
Minneapolis/St. Paul, MN
New York, NY
Newark, NJ
Norfolk, VA
Oakland, CA
Peoria, IL
Philadelphia, PA
Phoenix, AZ
Providence, RI
Richmond, VA
San Antonio, TX
San Diego, CA
Seattle, WA
Toledo, OH
Washington, DC
Our Reach

We have made loans, grants and tax credit equity investments in all 50 states.
LISC and Our Affiliates

*LISC has thirteen consolidated affiliates, eleven of which are actively involved in community development efforts and help carry out LISC’s mission to serve low-income and disinvested communities. Three additional affiliated entities have been dissolved.*

- LISC is the sole owner of each consolidated affiliate with the exception of BFF, BFF Side Car, BEDF, and CHOIF. As such, the LISC Board of Directors (the “Board”) elects members of the board of directors or board of managers of each solely-owned consolidated affiliate.
- Oversight of each entity rests with its respective board of directors or board of managers, which includes representatives of LISC management.
- LISC management reports to the Board on the active affiliates.
- No recourse exists between LISC and affiliates, but LISC has the ability to guarantee up to $15 million in affiliate indebtedness.

**Affiliate Abbreviations:**
## LISC Board of Directors

The Board is responsible for oversight of the day-to-day management of LISC and consists of 22 directors made up of representatives from the private and public sectors, including some of LISC’s major partners and stakeholders. Board members represent a variety of business sectors and geographic locations, and contribute a wide range of knowledge, skills and experience to LISC’s operations.

<table>
<thead>
<tr>
<th>Name</th>
<th>Business Title</th>
<th>Business Affiliation</th>
<th>Original Election</th>
<th>Term End</th>
<th>Committees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Robert E. Rubin (Board Chair)</td>
<td>Chairman; Former Secretary; Co-Chairman Emeritus</td>
<td>LISC; U.S. Treasury; Council on Foreign Relations</td>
<td>9/15/1999</td>
<td>3/31/2023</td>
<td>Aud (ex officio), E&amp;F (ex officio), Inv, PRC (ex officio)</td>
</tr>
<tr>
<td>Lisa Cashin (Vice Chair)</td>
<td>Vice Chair</td>
<td>LISC</td>
<td>9/1/2007</td>
<td>3/31/2024</td>
<td>E&amp;F (Chair), PRC</td>
</tr>
<tr>
<td>Sally Durdan</td>
<td>Former Executive Vice President and Head of Strategy, Consumer and Community Banking</td>
<td>JPMorgan Chase</td>
<td>3/28/2013</td>
<td>3/31/2023</td>
<td>Inv (Chair)</td>
</tr>
<tr>
<td>David Hess</td>
<td>Partner</td>
<td>Centerview Partners</td>
<td>1/17/2019</td>
<td>3/31/2024</td>
<td>PRC (Chair), Gov</td>
</tr>
<tr>
<td>Nilda Ruiz</td>
<td>President and CEO</td>
<td>Asociación Puertorriqueños en Marcha</td>
<td>9/20/2012</td>
<td>3/31/2025</td>
<td>PRC (Chair), Gov</td>
</tr>
<tr>
<td>Nicole Arnaboldi</td>
<td>Partner</td>
<td>Oak Hill Capital</td>
<td>6/18/2020</td>
<td>3/31/2023</td>
<td>NA*</td>
</tr>
<tr>
<td>Greg Belinfanti</td>
<td>Senior Managing Director</td>
<td>One Equity Partners</td>
<td>1/14/2010</td>
<td>3/31/2024</td>
<td>E&amp;F, Inv</td>
</tr>
<tr>
<td>Zack Boyers</td>
<td>Chairman and CEO</td>
<td>U.S. Bancorp Community Development Corp.</td>
<td>6/18/2020</td>
<td>3/31/2023</td>
<td>Inv</td>
</tr>
<tr>
<td>Audrey Choi</td>
<td>Senior Advisor</td>
<td>Morgan Stanley</td>
<td>6/16/2011</td>
<td>3/31/2025</td>
<td>E&amp;F, Gov</td>
</tr>
<tr>
<td>Michelle de la Uz</td>
<td>Executive Director</td>
<td>Fifth Avenue Committee</td>
<td>3/17/2011</td>
<td>3/31/2024</td>
<td>PRC</td>
</tr>
<tr>
<td>Gregory Fairchild</td>
<td>Isidore Horween Research Associate Professor of Business</td>
<td>University of Virginia Darden School of Business</td>
<td>6/21/2018</td>
<td>3/31/2024</td>
<td>Gov</td>
</tr>
<tr>
<td>Karen Fang</td>
<td>Managing Director, Head of Global Sustainable Finance</td>
<td>Bank of America</td>
<td>12/10/2020</td>
<td>3/31/2023</td>
<td>PRC</td>
</tr>
<tr>
<td>Ellen Gilligan</td>
<td>President and CEO</td>
<td>Greater Milwaukee Foundation</td>
<td>9/12/2013</td>
<td>3/31/2023</td>
<td>PRC</td>
</tr>
<tr>
<td>Lisa Glover</td>
<td>CEO</td>
<td>LISC</td>
<td>6/17/2010</td>
<td>3/31/2025</td>
<td>E&amp;F (ex officio), Inv (ex officio), PRC (ex officio), Gov (ex officio)</td>
</tr>
<tr>
<td>Lisa Hasegawa</td>
<td>Regional Vice President, Western Region</td>
<td>NeighborWorks America</td>
<td>1/22/2015</td>
<td>3/31/2025</td>
<td>Aus, PRC</td>
</tr>
<tr>
<td>Alisahah Jackson</td>
<td>System Vice President, Population Health Innovation and Policy</td>
<td>CommonSpirit Health</td>
<td>9/17/2020</td>
<td>3/31/2025</td>
<td>PRC, Gov</td>
</tr>
<tr>
<td>Kathryn Merchant</td>
<td>Principal</td>
<td>Kathy Merchant LLC</td>
<td>9/20/2012</td>
<td>3/31/2025</td>
<td>Aus, Gov (Co-Chair)</td>
</tr>
<tr>
<td>Rey Ramsey</td>
<td>President and CEO</td>
<td>Nathan Cummings Foundation</td>
<td>12/5/2002</td>
<td>3/31/2023</td>
<td>Gov, (Co-Chair), Inv</td>
</tr>
<tr>
<td>Rip Rapson</td>
<td>President and CEO</td>
<td>The Kresge Foundation</td>
<td>9/22/2006</td>
<td>3/31/2023</td>
<td>NA*</td>
</tr>
<tr>
<td>Curtis Reed, Jr.</td>
<td>Managing Director &amp; Region Manager - Chicago</td>
<td>JPMorgan Chase</td>
<td>1/27/2022</td>
<td>3/31/2024</td>
<td>NA*</td>
</tr>
<tr>
<td>Jerry Rickett</td>
<td>President and CEO</td>
<td>Kentucky Highlands Investment Corporation</td>
<td>6/16/2016</td>
<td>3/31/2025</td>
<td>PRC</td>
</tr>
</tbody>
</table>

**Committee Abbreviations:**
- Executive and Finance – “E&F”
- Audit – “Aud”
- Investment – “Inv”
- Portfolio Review Committee – “PRC”

* Not currently appointed to a Committee
LISC Management*

**Lisa Glover – CEO**
Lisa Glover has served as LISC’s CEO since March 2021, and as a member of the LISC Board since 2010. Ms. Glover is the former Executive Vice President at U.S. Bank, retiring in March 2020. Ms. Glover is a certified risk professional, a chartered bank auditor, and a certified internal auditor. She is an active leader in both community and industry groups, previously served as Chair of LISC Milwaukee’s local advisory committee from 2013 to 2016, and is past Chair of the Consumer Bankers Association’s Community Reinvestment Committee. Ms. Glover holds a BBA in Corporate Finance from Iowa State University and an MLIS from University of Wisconsin.

**Denise Scott – President**
Denise Scott has served as LISC’s President since December 2021, having formerly served as Executive Vice President in charge of LISC’s national and local programs. With three decades of experience in community development, Ms. Scott leads LISC’s neighborhood investment efforts across its urban and rural areas. She previously managed LISC’s flagship program in New York City, focusing on affordable housing, commercial corridors, education, health, and jobs in some of the city’s toughest neighborhoods.

**Christina Travers – Executive Vice President and Chief Financial Officer**
Christina Travers has served as LISC’s EVP & CFO since November 2021. Ms. Travers previously spent more than a decade at LISC designing innovative financial management and investment strategies. Prior to her return to LISC, Ms. Travers was the CFO of Working Solutions, a CDFI micro-lender, and Vice President for Finance & Capital Strategies at Low Income Investment Fund, a CDFI loan fund. Ms. Travers serves on the board of the Opportunity Finance Network and the Brooklyn YWCA. Ms. Travers holds a BS and an MS in Urban Policy and Management, with a concentration in Community Development Finance.

**Constance Max – Executive Vice President for Lending**
Connie Max serves as LISC’s Executive Vice President of Lending where she leads the daily operations of the Lending division including originations, closings and asset management. Ms. Max joined LISC in 2013 as Vice President and Chief Credit Officer. Prior to joining LISC, Ms. Max held a number of roles in the community and international development field, including Vice President and Chief Credit Officer for Nonprofit Finance Fund, Director of Prudential Financial’s Social Investment Division and Managing Director of Shore Bank Advisory Services. Ms. Max holds a BS in Business Administration from California Polytechnic State University, San Luis Obispo and a Master’s in International Business Administration from The American Graduate School of International Management.

* LISC depends on the efforts of its senior management and staff, and loss of key personnel could adversely affect its operating performance and ability to pay interest and principal and interest under the Notes when due.
LISC Financials*
(Parent Only)

*This presentation includes certain financial and statistical information derived from the Prospectus and LISC's financial statements and should be read in conjunction with those documents, including LISC's annual audited financial statements and unaudited interim financial statements that are attached as appendices to the Prospectus.
LISC Portfolio
Parent Only – December 31, 2021

Portfolio by Product Type
LISC’s loan portfolio is diverse in loan product composition with more than 6 product types with no one product accounting for over one-third of the portfolio.

The portfolio has grown over the past several years, and its composition has evolved.

While traditionally an early-stage, short-term lender, LISC has increased the share of longer-term mini-permanent and permanent loans as the organization gained access to longer-term capital through the CDFI Bond Guarantee Program and its 2017 public Bond issuance.
LISC Portfolio
Parent Only – June 30, 2022
Portfolio by Product Type

June 30, 2022 Loan Portfolio by Product Type
($584.1 million)

- Acquisition: 32%
- Construction: 22%
- Mini-Permanent: 13%
- Permanent: 12%
- Bridge: 2%
- Predevelopment: 8%
- Other: 11%
LISC Portfolio
Parent Only – December 31, 2021

Portfolio by Asset Class
LISC’s loan portfolio is diverse by asset class composition with more than 8 distinct asset classes.

In 2021, LISC added Small Business as an asset class. Multifamily rental, charter school, mixed-use and commercial/industrial lending comprise the largest proportion of the portfolio by dollar volume.
LISC Portfolio
Parent Only – June 30, 2022

Portfolio by Asset Class

June 30, 2022 Loan Portfolio by Asset Class
($584.1 million)

- Multifamily Rental: 43%
- Charter School: 14%
- Mixed-Use: 12%
- Commercial/Industrial: 12%
- Community Facility: 12%
- Economic Development: 7%
- Single-Family Housing: 5%
- Small Business: 3%
- Other: 1%
LISC Portfolio
Parent Only

Risk Management
LISC strives to mitigate its financial and programmatic risks in a number of ways. At the organizational level, LISC maintains a strong net asset position with minimal leveraging. On the project level, in addition to the approval of the local advisory committee of a local program, loans are subject to additional review by our Chief Credit Officer, Credit Committee, or Board depending on dollar threshold.

Loans to individual projects are limited to 5% of adjusted net assets, and loans to individual sponsors are limited to 10% of adjusted net assets. Loans are monitored and risk-rated at least annually.
LISC Cash and Investments
Parent Only – December 31, 2021

Cash and Investments
Cash and Investments totaled $428.0 million as of December 31, 2021. 97% had liquidity of 30 days or less.

LISC investments are well diversified across asset classes.

2021 Investments (Fair Value: $173.9 million)
LISC Cash and Investments
Parent Only – June 30, 2022

Cash and Investments

Liquidity of Cash & Investments

- > One Year: 1%
- Quarterly: 3%
- < 30 days: 96%

June 30, 2022 Investments (Fair Value: $163.7 million)

- Cash and cash equivalents held for investment: 29%
- Corporate bonds and fixed-income funds: 24%
- U.S. government agencies: 6%
- Certificates of deposit: 5%
- Real estate investment trust: 4%
- Hedge funds: 2%
- Private Equity funds: 0%

Cash and Investments

- Cash and cash equivalents
- Corporate bonds and fixed-income funds
- U.S. government agencies
- Certificates of deposit
- Real estate investment trust
- Hedge funds
- Private Equity funds
LISC Capitalization
Parent Only – December 31, 2021

Debt Management & Capitalization
Throughout LISC’s 40-year history, LISC has closed over $2.2 billion in debt transactions. LISC has repaid all of its debt obligations on time and in full.

LISC’s lenders include financial institutions and other entities motivated by the Community Reinvestment Act, as well as foundations, nonprofits, insurance companies, retirement funds and public agencies.

LISC’s debt is primarily used to fund loans to community development projects throughout its national footprint.

LISC’s capitalization strategy incorporates asset-liability matching, associating specific borrowed funds with the loans made with that capital.

$288 MILLION
Total owed to largest lenders

Outstanding Debt 2021 ($524.7 million)
Outstanding Debt June 30, 2022 ($544.8 million)

- Financial institutions and insurance companies: 43%
- Sustainability Bonds and Impact Notes: 9%
- Foundations: 13%
- Public agencies/entities and retirement funds: 34%
- Non-profit and other institutions: 2%
LISC Financials
Parent Only

Net Asset Growth
LISC has achieved a steady growth in net assets over more than three decades through differing economic cycles while maintaining its social mission.*

At the end of 2021, LISC’s total assets were $1.2 billion, its net assets were $546 million, and it had unrestricted net assets (“net worth”¹) of $233 million. Since 2017, total assets have increased 66%, net assets 90%.

* Past performance is no guarantee of future results.

1. Net Worth is the equivalent of nonprofit equity. LISC defines this as Total Net Assets (assets minus liabilities) without donor restrictions.
Revenue and Expense
LISC’s lending operations have been self-sustaining over the last five years.

Mission-critical non-lending activity costs are covered by grants.
LISC Financials
Parent Only – June 30, 2022

Revenue and Expense

Support and Revenue
June 30, 2022 ($135.9 million)

- Contributions 48%
- Government grants & contracts 17%
- Interest income on loans to CDPs 16%
- All other income 11%
- Equity in earnings of affiliates 7%

Expenses
June 30, 2022 ($129.2 million)

- Project development and other program activities 35%
- Project grants 15%
- Project loans 9%
- Total supporting services 42%
LISC Financials*
(Consolidated)

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Portfolio by Product Type

In addition to the LISC Loan Fund, consolidated affiliates will, from time to time, engage in lending activity:

- NEF funds developers with predevelopment or pre-credit loans as bridge financing associated with LIHTC projects, alongside construction and other loan types. Investments are made from NEF’s cash.
- NMSC provides loans from its net assets and a line of credit from LISC to support its fund management business.
- immito is authorized to provide commercial loans under the U.S. SBA 7(a) program and participated in the Paycheck Protection Program.
- BFF purchases portions of loans from participating community development financial institutions (CDFIs), including LISC.
- CHOIF makes loans to promote the creation of affordable housing.
- AHLF makes loans to support the preservation and production of affordable housing.
- BEDF makes loans to invest in Black-owned and led businesses.
- CHF makes loans to support the creation and preservation of affordable housing in the Bay Area.
- SOAR makes loans to address the capital needs of historically disenfranchised communities in the south and southeast US.
LISC Portfolio
Consolidated – December 31, 2021

Portfolio by Asset Class
In addition to the LISC Loan Fund, consolidated affiliates will, from time to time, engage in lending activity:

- NEF’s loans finance affordable and workforce multifamily rental housing.
- NMIC’s lending is to finance economic development lending.
- immi’s lending is to finance commercial small business loans.
- BFF’s lending is to finance mixed-income and affordable housing.
- CHOIF makes loans to promote the creation of affordable housing.
- AHIF makes loans to support the preservation and production of affordable housing.
- BEDF makes loans to invest in Black-owned and led businesses.
- CHF makes loans to support the creation and preservation of affordable housing in the Bay Area.
- SOAR makes loans to address the capital needs of historically disenfranchised communities in the south and southeast US.
LISC Portfolio
Consolidated – December 31, 2021
Risk Management
Cash and Investments on a consolidated basis totaled $623 million as of December 31, 2021. 94% had liquidity of 30 days or less.

LISC Cash and Investments
Consolidated – December 31, 2021

Cash and Investments
Cash and Investments on a consolidated basis totaled $623 million as of December 31, 2021. 94% had liquidity of 30 days or less.

Liquidity of Cash & Investments

- < 30 days
- Quarterly
- > One Year
- Restricted Cash

2021 Investments (Fair Value: $185.9 million)

- Cash and cash equivalents held for investment
- Corporate bonds and fixed-income funds
- U.S. government agencies
- Certificates of deposit
- Real estate investment trust
- Hedge funds
- Private Equity funds
LISC Capitalization
Consolidated – December 31, 2021

Debt Management & Capitalization
Throughout LISC’s 40-year history, LISC has closed over $2.2 billion in debt transactions. LISC has repaid all of its debt obligations on time and in full.

Relative to their amount of net assets, LISC’s consolidated affiliates carry very little debt, with the exception of CDA Partnerships (project partnerships in which one or more affiliates of NEF serves as the general partner). The CDA Partnerships act as general partners in certain affordable housing project partnerships to facilitate the promotion or rehabilitation of low-income housing.

Outstanding Debt 2021 ($683 million)

- Financial institutions and insurance companies
- Sustainability Bonds and Impact Notes
- Foundations
- Public agencies/entities and retirement funds
- Non-profit and other institutions

$L288 MILLION
Total owed to largest lenders

- LISC Taxable Bond Series 2017A
  $100 million
- LISC Impact Notes
  $99 million
- CDFI Bond Guarantee Program
  $43 million
- Metropolitan Life Insurance
  $25 million
- Prudential
  $22 million
LISC Financials
Consolidated – December 31, 2021

Net Asset Growth
Since 2016, LISC’s consolidated financial statements have not included the Funds in which NEF and its subsidiaries serve as the general partner or managing member (as prescribed by FASB ASC 810-20).
LISC Financials
Consolidated – December 31, 2021
Revenue and Expense

Support and Revenue 2021
($405.2 million)
- Contributions
- Government grants & contracts
- Interest income on loans to CDPs
- All other income
- Equity in earnings of affiliates

Expenses 2021
($335.1 million)
- Project development and other program activities
- Project grants
- Project loans
- Total supporting services
# Impact Notes Funding & Growth Strategy

<table>
<thead>
<tr>
<th><strong>Investor Engagement</strong></th>
<th>Provides opportunity for retail and institutional investors to access a “AA-” rated fixed income investment*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Impact Leverage</strong></td>
<td>Supports expansion of LISC’s portfolio through the ability to increase loan portfolio and social impact investments</td>
</tr>
<tr>
<td><strong>Diversification</strong></td>
<td>Provides diversification of capitalization and funding streams to allow for long-term portfolio sustainability</td>
</tr>
<tr>
<td><strong>Awareness</strong></td>
<td>Supports LISC’s marketing strategy to scale public and private sector investment in underserved communities</td>
</tr>
<tr>
<td><strong>Flexibility</strong></td>
<td>No geographic restrictions allow flexible capital for LISC to work across its national footprint</td>
</tr>
</tbody>
</table>

*See important disclosures on the next page*
## Impact Notes Summary

<table>
<thead>
<tr>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Offering</strong></td>
</tr>
<tr>
<td><strong>Financial Terms</strong></td>
</tr>
<tr>
<td><strong>Social Return</strong></td>
</tr>
<tr>
<td><strong>Minimum Investment</strong></td>
</tr>
<tr>
<td>*<em>S&amp;P Credit Ratings</em></td>
</tr>
<tr>
<td><strong>Use of Proceeds</strong></td>
</tr>
<tr>
<td><strong>Ranking</strong></td>
</tr>
<tr>
<td><strong>Redemption</strong></td>
</tr>
</tbody>
</table>

*S&P ratings should not be the only factor investors rely on when assessing the risk of this investment. Investors should rely on the terms as presented in the Prospectus. S&P ratings are subject to change or withdrawal at any time. The value of the Notes may be adversely affected by a decrease in the credit ratings assigned to LISC or the Notes.

DISCLOSURE: This is not an offer to sell or a solicitation of an offer to buy any securities. Such an offer is made only by means of a current Prospectus (including any applicable Pricing Supplement. Such offers may be directed only to investors in jurisdictions in which the Notes are eligible for sale. Investors in such states should obtain a current Prospectus by visiting www.lisc.org/invest. The Notes are subject to risks, including the loss of principal. Investors are urged to review the current Prospectus before making any investment decision. The notes will not be insured or guaranteed by the FDIC, SIPC or other governmental agency.
Alignment with Social Bond Principles and UN Sustainable Development Goals

What is a Social Bond and Social Bond Principles?

Social Bonds are any type of bond instrument where the proceeds will be exclusively applied to finance or re-finance in part or in full new and/or existing social projects and are aligned with the four core components of the International Capital Market Association’s (ICMA) Social Bond Principles as described in a Social Bond Framework. The four components are:

1) Use of Proceeds
2) Process for Project Evaluation and Selection
3) Management of Proceeds
4) Reporting

Social Project categories include: 1) affordable basic infrastructure; 2) access to essential services; 3) affordable housing; 4) employment generation; 5) food security; and 6) socioeconomic advancement and empowerment.

ICMA recommends that in connection to a Social Bond Framework, an issuer appoints an independent, external reviewer to assess alignment of the issuance with the Social Bond Principles through a Second Party Opinion, including an assessment of the issuer’s objectives, strategy, policy and/or processes relating to social sustainability, and an evaluation of the social features of the projects intended for the use of proceeds.

What are the UN Sustainable Development Goals (SDGs)?

- The United Nation’s Sustainable Development Goals are a blueprint to achieve a better and more sustainable future for all.
- The 17 SDGs set targets to be achieved by 2030 addressing challenges related to poverty, inequality, climate change, environmental degradation, peace and justice.
- By reference to ICMA’s “Green and Social Bonds: A High-Level Mapping to the Sustainable Development Goals” issuers are beginning to align their Social Bond Frameworks to the SDGs. The SDGs can be used as reference for impact evaluation frameworks by investors, businesses, foundations, academics and civil groups.

LISC’s Social Bond Framework and Second Party Opinion

- LISC engaged V.E, a global rating and research agency focused on evaluating organizations’ social, environmental and governance factors, to provide a Second Party Opinion on the alignment of LISC’s Social Bond Framework to the Social Bond Principles.
- V.E expressed a reasonable level of assurance (the highest level given) on LISC’s commitments to the Social Bond Principles and the contribution of the contemplated debt issuance to social sustainability.
- V.E determined that the eligible Social Project categories were considered likely to contribute to eight of the UN SDGs, including Goal 1. No Poverty; Goal 2. Zero Hunger; Goal 3. Good Health and Well-being; Goal 4. Quality Education; Goal 8. Decent Work and Economic Growth; Goal 9. Industry, Innovation and Infrastructure; Goal 10. Reduced Inequalities; and Goal 11. Sustainable Cities and Communities.
- For more information on LISC’s Social Bond Framework and Second Party Opinion, visit lisc.org/invest.

<table>
<thead>
<tr>
<th>Eligible Project Category</th>
<th>Sub-Category</th>
<th>Impact Indicators</th>
<th>SDG Alignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affordable housing</td>
<td></td>
<td>• # of affordable rental and for-sale units built or preserved</td>
<td><img src="1.png" alt="SDG 1" /> <img src="11.png" alt="SDG 11" /></td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td>• # of student seats at full capacity</td>
<td><img src="4.png" alt="SDG 4" /></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• # of childcare slots at full capacity</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• % of population eligible for free or reduced lunch;</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• % Special Education;</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• % of population who are English Language Learners</td>
<td></td>
</tr>
<tr>
<td>Access to essential services</td>
<td></td>
<td>• # of people to be served annually by a new healthcare facility</td>
<td><img src="3.png" alt="SDG 3" /></td>
</tr>
<tr>
<td>Healthcare</td>
<td></td>
<td>• # of people to be served annually by new facility</td>
<td><img src="10.png" alt="SDG 10" /></td>
</tr>
<tr>
<td>Community services</td>
<td></td>
<td>• # of people to be served annually by new facility</td>
<td><img src="11.png" alt="SDG 11" /></td>
</tr>
<tr>
<td>Food security</td>
<td></td>
<td>• # and square footage of retailers selling or producing healthy and affordable food serving low-income groups</td>
<td><img src="1.png" alt="SDG 1" /> <img src="2.png" alt="SDG 2" /></td>
</tr>
<tr>
<td>Employment financing</td>
<td>SME financing</td>
<td>• # of jobs created and retained</td>
<td><img src="8.png" alt="SDG 8" /></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• % of Women Business Enterprise (WBE), Minority Business Enterprise (MBE), Veteran Business Enterprise (VBE) supported</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td>• # of jobs created and retained</td>
<td><img src="8.png" alt="SDG 8" /></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Tax revenues generated</td>
<td></td>
</tr>
</tbody>
</table>

For more information on LISC’s Social Bond Framework and Second Party Opinion, visit lisc.org/invest.
Project Examples
Villa Fruitvale

Oakland, CA

A LISC loan to Oakbrook Partners & The John Stewart Company helped finance a 199-unit multi-family affordable housing development that serves at-risk youth up to 40% AMI with 90 units of permanent supportive housing.

The Villa Fruitvale project supports emancipated foster youth of Alameda County and provides an affordable place to live for local workers near their place of work – a critical need in the Oakland area.

More information on the project can be found here.
HOPE Clinic

Houston, TX
A LISC loan supported the development of a community health center in Houston’s Alief neighborhood. HOPE Clinic is a minority-led organization that provides unique, culturally and linguistically competent patient care.

The new facility will enable HOPE to expand their services, reaching 20,000+ unique patients annually. The project creates quality jobs, 60% of which will be accessible to workers with less than a 2-year college degree. An on-site cafeteria offers healthy food in a Food Desert.

More information on the project can be found here.
The Barrister

Cincinnati, OH

A LISC loan supported The Barrister, an adaptive reuse project bringing much-needed affordable housing to downtown Cincinnati.

The project will convert two vacant, former office spaces into residential buildings with ground-floor retail. The renovation will produce 44 new residential units, affordable at 30% and 50-60% AMI. By creating two- and three-bedroom units, the project will help serve a family population.

More information on the project can be found [here](#).
Providence, RI

A LISC loan to ONE Neighborhood Builders supported King Street Commons, a project that includes the creation and preservation of affordable housing, integrated with the construction of new early childhood learning classrooms.

LISC financing supported the development of two Early Head Start infant/toddler classrooms and three Head Start preschool classrooms that are estimated to serve 72 children.

More information on the project can be found [here](#).

<table>
<thead>
<tr>
<th>Permanent Loan</th>
<th>Jobs Created/Preserved</th>
<th>Square Feet</th>
<th>Children Served</th>
</tr>
</thead>
<tbody>
<tr>
<td>$397,384</td>
<td>9</td>
<td>8,780</td>
<td>72</td>
</tr>
</tbody>
</table>
BrownMill Clothing

Newark, NJ

LISC provided a $50,000 mini-permanent loan to BrownMill Clothing, a New Jersey based clothing brand founded in 2009.

LISC financing supports the stability and growth of a Black-owned business located in a low-to-moderate income area. In addition, sustained community impact is central to BrownMill's mission, for example, through an annual community basketball tournament they host.

More information on the project can be found [here](#).
Cedar Street Solar

Washington, DC

LISC provided financing to install Solar PV on 410 Cedar Street NW, a 30-unit affordable apartment building located in DC’s Takoma neighborhood.

In 2018, LISC provided an acquisition loan to preserve 410 Cedar as affordable, and the building is currently under renovation. Once installed, the electricity generated by the panels (est. 43,500 kWh/year) will be donated to the building’s common areas and to the tenants, reducing building expenses and each household’s energy costs. Over the next 30+ years, the panels are expected to generate $200,000 in energy cost savings.

Find more information on the project here.
Astoria Co+op Relocation

Astoria, OR

Astoria Co+op is a 44 year old local, community-owned grocery store in Astoria, Oregon.

A $2.52 million LISC construction loan enabled Astoria Co+op to expand, promoting access to healthy food in an area adjacent to a USDA defined food desert. The expansion creates and retains living-wage jobs in a rural community.

More information on the project can be found here and here.
Stepping Stones Nursery School

Chicago, IL

Stepping Stones Nursery School is a play-based infant and preschool daycare. Its mission is to empower children to be leaders, innovators, thinkers, creators, philosophers, and poets.

A LISC loan helped Stepping Stones acquire real estate in the Portage Park neighborhood, enabling them to expand their business and accommodate more students. The loan supported a women-owned business, and helped generate new full-time jobs.

More information on the project can be found here.
Nationwide

Resident Ownership Capital, LLC (ROC USA) helps expand economic opportunities for homeowners in manufactured home communities.

LISC permanent financing will be used to fund several participations in ROC loans to resident-owned manufactured housing communities across the country. The project will support cooperatives of homeowners who own and oversee the management of their communities, which improves and stabilizes the community and allows affordable homes to become long-term assets.

More information on the project can be found here.
HealthCore Clinic

Wichita, KS

HealthCore Clinic, Inc. (HCC) provides integrated primary care, mental health, and substance abuse services to residents in northeast Wichita.

A LISC loan helped HCC renovate and expand its main clinic site. The new clinic will be equipped with green features such as low energy fluorescent lighting, HVAC units with economizers and computerized climate controls, grey water reuse, storm water capture, and use of recycled materials. The added space will also enable HCC to increase its care capacity from its current 4,266 patients to upwards of 20,000 patients.

More information on the project can be found here.
CPDC Solar

Washington, DC

LISC provided financing for the installation of an extensive, 1.2 megawatt solar photovoltaic array atop 12 affordable rental properties in Washington, DC.

The properties represent 2,500 units of affordable housing, available to residents at 30-60% AMI. The project will contribute to better air quality locally and reduce greenhouse gas production globally. It also enabled borrower CPDC to free up their cash assets to continue to preserve and redevelop new projects.

Find more information on the project here.
Los Angeles, CA

A LISC loan to The Venice Community Housing Corporation (VCH) supported the rehabilitation of two properties, totaling 27 units, with AMIs that average 28% and 18%.

Affordable housing preservation in Venice is especially crucial, with rapid gentrification in the neighborhood causing exponentially rising rent costs. In addition to providing low-income and permanent supportive housing, VCH offers resources such as job training and youth services.

More information on the project can be found here.
What Are CDFIs?

Community Development Financial Institutions (CDFIs) are mission-oriented financial institutions. They share a common goal of expanding economic opportunity in low-income communities by providing access to financial products and services for local residents and businesses.

CDFIs are certified by the Community Development Financial Institutions Fund (CDFI Fund), a program of the U.S. Department of the Treasury.

A CDFI may be a community development bank, a community development credit union, a community development loan fund, or a community development venture capital fund. LISC is a community development loan fund.

Approximately 1,400 certified CDFIs are based across the 50 states, the District of Columbia, Guam, Puerto Rico, and the U.S. Virgin Islands.

CDFIs TARGET UNDERSERVED POPULATIONS

- 60% PEOPLE OF COLOR
- 84% LOW-INCOME
- 27% RURAL
- 50% WOMEN

CDFIs CREATE TANGIBLE IMPACT

- MORE THAN...
  - 2.19 million JOBS
  - 2.23 million HOUSING UNITS
  - 13,000 COMMUNITY FACILITIES
  - 535,000 BUSINESSES AND MICROENTERPRISES

CDFIs ARE PERFORMANCE ORIENTED

- DELINQUENCY RATE > 90 DAYS: 1.1%
- NET CHARGE-OFFS: 0.5%
- CUMULATIVE LOAN LOSS RATE: 0.8%

Source: Community Development Financial Institutions Fund 2021 [link]

Source: Sampling of 269 CDFI members of Opportunity Finance Network FY 2020 [link]
# LISC’s Tax Credit Equity Affiliates

Proceeds of LISC’s note issuance will not be used for Tax Credit Equity Financing. The below information is included to inform investors on the different financing tools LISC uses to deploy capital in our target communities.

<table>
<thead>
<tr>
<th>Affiliate</th>
<th>Type of Equity</th>
<th>How it Works</th>
<th>Example Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Equity Fund</td>
<td>Low-Income Housing Tax Credit (LIHTC), an indirect federal subsidy used to finance the construction and rehabilitation of low-income rental housing.</td>
<td>The LIHTC gives investors a dollar-for-dollar reduction in their federal tax liability in exchange for providing financing. Investors’ equity contribution subsidizes low-income housing development, thus allowing some units to rent at below-market rates. In return, investors receive tax credits paid in annual allotments, generally over 10 years.</td>
<td>NEF invested $4.8 million in LIHTC equity in Epworth Apartments in Los Angeles. The new construction, 20-unit development is designed to serve transition aged youth from 18-24 years old who are homeless, at risk of becoming homeless, or have various mental health issues. Read more about the project <a href="#">here</a>.</td>
</tr>
<tr>
<td>New Markets Support Company</td>
<td>New Market Tax Credits (NMTC), a federal community development tax incentive used to finance new investments in eligible businesses and commercial and community projects in qualified census tracts.</td>
<td>The NMTC permits investors to receive a tax credit against their federal income tax in exchange for making equity investments in specialized financial intermediaries called Community Development Entities. The credit totals 39 percent of the original investment amount and is claimed over a period of seven years.</td>
<td>NMSC provided Educare Arizona $6.8 million in NMTC financing to construct a 33,000 square foot early education and healthcare facility in Phoenix, AZ. Read more about the project <a href="#">here</a>.</td>
</tr>
</tbody>
</table>


DFI Fund New Markets Tax Credit Program [https://www.cdfifund.gov/programs-training/Programs/new-markets-tax-credit/Pages/default.aspx](https://www.cdfifund.gov/programs-training/Programs/new-markets-tax-credit/Pages/default.aspx)
Contact

Christina Travers  
CFO, LISC  
ctravers@lisc.org

Courtney Branker  
Treasurer & Vice President, LISC  
cbranker@lisc.org

Kathleen Keefe  
Investor Relations, LISC  
kkeefe@lisc.org

Tariq Shikdar  
Investor Relations, LISC  
tshikdar@lisc.org

28 Liberty Street, 34th Floor  
New York, NY 10005